



The Voice of Small Business

MICHIGAN

To: Honorable Members of the Senate Oversight Committee

From: Charles Owens, State Director

Date: June 9, 2016

RE: Senate Bill 962

We are writing to ask your support for Senate Bill 962 that would provide more opportunity for the Joint Committee on Administrative Rules (JCAR) to propose changes to a proposed rule and require a state agency to respond to those suggested revisions.

In March of 2015, NFIB gave a presentation to the House Regulatory Reform Committee concerning the impact of regulations on small business. We would just like to revisit a few summary points from that testimony since it is relevant to the bill being considered by this Committee.

- Rules and regulations have a disproportionate impact on smaller companies. Research has shown that this difference can be as much as 36 percent between the costs incurred by small firms when compared with their larger counterparts.
- Federal regulations alone on small businesses (firms that employ fewer than 50 people) averaged \$11,724 per employee in 2012 – up from \$10,585 in 2010 (latest data available). This amount is even higher for manufacturing businesses.
- Since we testified just over a year ago – the avalanche of regulations at federal, state and local government levels has been unrelenting.

Allowing JCAR to have more flexibility is a step in the right direction towards restoring the legislature's oversight responsibility in the rule making process.

We conclude by asking for your support of Senate Bill 962 that would allow for more scrutiny and oversight in the promulgation of rules.

Thank you for your support of small business!